

[Additional Counsel on Signature Page]

**NORTHSTAR FINANCIAL ADVISORS,
INC., on behalf of itself and all others
similarly situated,**

CLASS ACTION

**SCHWAB INVESTMENTS; MARIANN
BYERWALTER, DONALD F.
DORWARD, WILLIAM A. HASLER,
ROBERT G. HOLMES, GERALD B.
SMITH, DONALD R. STEPHENS,
MICHAEL W. WILSEY, CHARLES R.
SCHWAB, RANDALL W. MERK,
JOSEPH H. WENDER and JOHN F.
COGAN, as Trustees of Schwab
Investments; and CHARLES SCHWAB
INVESTMENT MANAGEMENT, INC.,**

Date: April 21, 2016
Time: 1:30 p.m.
Courtroom: 8, 4th Floor, San Jose
Judge: Honorable Lucy H. Koh

Defendants.

[08-cv-04119-LHK] DECL. OF ODESSA HALL IN SUPPORT OF PLTF'S MOT. FOR CLASS CERT.

1 Odessa Hall, being duly sworn, hereby declares under the penalties of perjury, pursuant to
2 28 U.S.C. §1746, that:

3 1. I am a longtime client of plaintiff Northstar Financial Advisors, Inc. (“Northstar”). I
4 make this Declaration on personal knowledge in support of Northstar’s motion to certify the class in
5 this action defined as all persons who owned shares of the Schwab Total Market Bond Fund (the
6 “Fund”) as of August 31, 2007, or who acquired those shares at any time from September 1, 2007
7 through February 29, 2009, and who were damaged as a result of the Fund’s deviation from its
8 stated fundamental investment policies (the “Class”). As stated herein, I am available to serve as an
9 additional class representative plaintiff on behalf of the Class.

10 2. I am 69 years old. I graduated from Central Commercial High School in New York
11 City, and obtained credits towards a college degree from the New York City College of Technology
12 in Brooklyn, where I studied liberal arts, and thereafter the Fashion Institute of Technology in
13 Manhattan, where I studied fashion buying and merchandising.

14 3. Following my high school graduation in 1964, I worked at the state agency now
15 called the New York State Division of Human Rights for approximately three and a half years, and
16 thereafter in New York City’s Human Resources Administration for approximately three years. I
17 then worked for The Port Authority of New York and New Jersey for approximately ten years, and
18 then UniWorld Group, Inc., an advertising agency, for approximately 18 years. For approximately
19 the next ten years, I worked on a temporary basis as an administrative assistant for several
20 companies, retiring in 2005, at the age of 59.

21 4. In 1994, I was introduced to Richard Berse, Northstar’s principal. I was told that
22 Mr. Berse was highly qualified to manage my investments and savings. I retained Northstar as my
23 financial advisor.

24 5. I have always been a conservative investor, but this was particularly so in the few
25 years prior to my retirement. I trusted Mr. Berse with investment decisions and allowed him the
26 discretion necessary to act in my best interests. Northstar manages all of my investments.

1 6. Mr. Berse invested \$142,500 of my portfolio into the Schwab Total Market Bond
2 Fund in 2002. The Fund's fundamental investment objective required that the Fund track the
3 Lehman Brothers U.S. Aggregate Bond Index (the "Index"), which I understand to be a very
4 conservative index consisting primarily of U.S. government and agency bonds. Starting in 2002,
5 my investment in the Fund grew in line with the performance of the Index, reaching a value of
6 approximately \$170,000 in late 2007.

7 7. I have learned by virtue of this litigation that in late 2007, the Fund began investing
8 in assets that were not part of the Index. Rather than purchasing conservative government bonds,
9 the Fund purchased high-risk sub-prime mortgage bonds. I am advised by my counsel that as a
10 result of Schwab's deviation from the Index, the Fund underperformed the Index by approximately
11 6% from November 1, 2007 through March 31, 2008.

12 8. In or about April of 2008, Mr. Berse informed me that he had sold my shares in the
13 Fund, along with all his other clients' Fund shares, due to the Fund's underperformance. Attached
14 as Exhibit A is my account's history of trades in the Fund, which reflects that on April 1, 2008, Mr.
15 Berse sold all of my 17,352.02 shares. I am advised by my counsel that by the time Mr. Berse sold
16 my shares, I had incurred damages in excess of \$9,600 as a result of Schwab's deviation from the
17 Index, taking into account what I would have earned if the Fund had continued to perform in line
18 with the Index compared to its actual performance.¹

19 9. In late 2008, Mr. Berse informed me he was suing Schwab on behalf of his clients
20 and all Fund shareholders for its failure to comply with its investment objectives.

21 10. In or around December of 2015, Mr. Berse contacted me, asking if I would be
22 interested in speaking to his counsel about joining this action as an additional class representative. I
23 agreed, and Mr. Berse thereafter put me in contact with Robert C. Finkel of Wolf Popper LLP.
24 Following correspondence and discussions with Wolf Popper and my review of material from the
25 litigation, I agreed to seek to serve as an additional class representative. Richard Berse, on behalf
26 of Northstar, will continue to serve as a class representative plaintiff.

27
28 ¹ A small portion of those damages (approximately \$1,250) were recovered in the SEC Fair Fund.

1 11. I understand that as a class representative I am responsible for working with counsel,
2 and that I will need to make myself available for deposition and court appearances, if necessary. I
3 also understand I am responsible for searching my records for any relevant documents. I surmise
4 there is quite little to be unearthed, but that too is a task I am willing to undertake. The fact is that I
5 have damages in excess of \$9,600 (a significant amount for me, a widowed retiree living off social
6 security and my investments with Northstar) in what was supposed to be a conservative and stable
7 investment. I am willing to see this case through to the end.

8 12. I understand that defendants have questioned Northstar's ability to prosecute and
9 serve as a class representative in this action due to the fact that it was not the owner of Fund shares
10 and is proceeding in this action by way of assignment. I also invested in 2002, prior to defendants
11 making changes in the Fund's composition and disclosures, which I understand they suggest may
12 establish defenses in this action. My direct participation in this action, would obviate both
13 arguments moving forward, and would strengthen representation of the class.

14 13. I consider the facts concerning my losses in the Fund described above to be fairly
15 typical of what has befallen other members of the Class. Investors in the Fund come from a wide
16 variety of backgrounds and possess varying degrees of financial sophistication. What unites us all
17 is defendants' failure to exercise their fiduciary duties to comply with the Fund's investment
18 objectives, and our financial interests to secure damages so that defendants be held to account for
19 their failure to do so.

20
21 Dated: January 15, 2016



ODESSA HALL